

(a) *For the entire life cycle of each major information resources project, the quality assurance team shall monitor and report on performance indicators for each project, including schedule, cost, scope, and quality.*

(b) *The department by rule shall develop the performance indicators the quality assurance team is required to monitor under Subsection (a). In adopting rules under this subsection, the department shall consider applicable information technology industry standards.*

(c) *If the quality assurance team determines that a major information resources project is not likely to achieve the performance objectives for the project, the quality assurance team shall place the project on a list for more intense monitoring by the quality assurance team.*

(d) *The quality assurance team shall closely monitor monthly reports for each major information resources project identified under Subsection (c) and, based on criteria developed by the department, determine whether to recommend to the executive director the need to initiate corrective action for the project.*

(e) *The department shall create and maintain on the department's Internet website a user-friendly data visualization tool that provides an analysis and visual representation of the performance indicators developed under Subsection (b) for each major information resources project.*

SECTION 3. Not later than December 1, 2017, the Department of Information Resources shall adopt rules to implement Section 2054.159, Government Code, as added by this Act.

SECTION 4. This Act takes effect January 1, 2018.

Passed by the House on April 20, 2017: Yeas 144, Nays 0, 2 present, not voting; passed by the Senate on May 19, 2017: Yeas 31, Nays 0.

Approved June 15, 2017.

Effective January 1, 2018.

ADOPTION BY STATE AGENCIES OF RULES AFFECTING RURAL COMMUNITIES

CHAPTER 898

H.B. No. 3433

AN ACT

relating to the adoption by state agencies of rules affecting rural communities.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. The heading to Chapter 2006, Government Code, is amended to read as follows:

CHAPTER 2006. AGENCY ACTIONS AFFECTING SMALL BUSINESSES AND RURAL COMMUNITIES

SECTION 2. Section 2006.001, Government Code, is amended by adding Subdivision (1-a) to read as follows:

(1-a) *"Rural community" means a municipality with a population of less than 25,000.*

SECTION 3. Sections 2006.002(a), (b), (c), (c-1), (d), and (g), Government Code, are amended to read as follows:

(a) A state agency considering adoption of a rule that would have an adverse economic effect on small businesses, ~~or~~ micro-businesses, *or rural communities* shall reduce that effect if doing so is legal and feasible considering the purpose of the statute under which the rule is to be adopted.

(b) To reduce an adverse effect on small businesses *and rural communities, as applicable*, an agency may:

(1) establish separate compliance or reporting requirements for small businesses *and rural communities*;

(2) use performance standards in place of design standards for small businesses *and rural communities*; or

(3) exempt small businesses *and rural communities* from all or part of the rule.

(c) Before adopting a rule that may have an adverse economic effect on small businesses *or rural communities, as applicable*, a state agency shall prepare:

(1) an economic impact statement that estimates the number of small businesses *or rural communities* subject to the proposed rule, projects the economic impact of the rule on small businesses *or rural communities*, and describes alternative methods of achieving the purpose of the proposed rule; and

(2) a regulatory flexibility analysis that includes the agency's consideration of alternative methods of achieving the purpose of the proposed rule.

(c-1) The analysis under Subsection (c) shall consider, if consistent with the health, safety, and environmental and economic welfare of the state, using regulatory methods that will accomplish the objectives of applicable rules while minimizing adverse impacts on small businesses *or rural communities, as applicable*. The state agency must include in the analysis several proposed methods of reducing the adverse impact of a proposed rule on a small business *or rural community*.

(d) The agency shall include the economic impact statement and regulatory flexibility analysis as part of the notice of the proposed rule that the agency files with the secretary of state for publication in the Texas Register and shall provide copies to:

(1) the standing committee of each house of the legislature that is charged with reviewing the proposed rule; and

(2) *if feasible, each member of the legislature who represents a rural community adversely impacted by the proposed rule.*

(g) The attorney general, in consultation with the comptroller, shall prepare guidelines to assist a state agency:

(1) in determining a proposed rule's potential adverse economic effects on small businesses *and rural communities, as applicable*; and

(2) in identifying and evaluating alternative methods of achieving the purpose of a proposed rule.

SECTION 4. Subchapter A, Chapter 2006, Government Code, as amended by this Act, applies only to a rule proposed by a state agency on or after the effective date of this Act. A rule proposed before that date is governed by the law in effect on the date the rule was proposed, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2017.

Passed by the House on May 9, 2017: Yeas 142, Nays 3, 2 present, not voting; passed by the Senate on May 19, 2017: Yeas 31, Nays 0.

Approved June 15, 2017.

Effective September 1, 2017.